



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-827]

Certain Cased Pencils from the People's Republic of China: Continuation of Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of the determinations by the U.S. Department of Commerce (Commerce) and the International Trade Commission (ITC) in their five year (sunset) review that revocation of the antidumping duty (AD) order on certain cased pencils (pencils) from the People's Republic of China (China) would likely lead to a continuation or recurrence of dumping and material injury to an industry in the United States, Commerce is publishing a notice of continuation of the AD order on pencils from China.

DATES: Applicable [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Katherine Johnson, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4929.

SUPPLEMENTARY INFORMATION:

Background

On December 28, 1994, Commerce published in the *Federal Register* the AD order on pencils from China.¹ On August 1, 2022, the ITC instituted² and Commerce initiated³ the fifth five-year (sunset) review of the *Order*, pursuant to sections 751(c) and 752 of the Tariff Act of

¹ See *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994) (*Order*).

² See *Cased Pencils from China; Institution of a Five-Year Review*, 87 FR 46998 (August 1, 2022).

³ See *Initiation of Five-Year (Sunset) Reviews*, 87 FR 46943 (August 1, 2022).

1930, as amended (the Act). Commerce conducted an expedited (120-day) sunset review of the *Order*, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of its review, Commerce determined that revocation of the *Order* would likely lead to a continuation or recurrence of dumping. Therefore, Commerce notified the ITC of the magnitude of the margin of dumping likely to prevail were the *Order* to be revoked.⁴

On March 8, 2023, the ITC published its determination, pursuant to sections 751(c) and 752(a) of the Act, that revocation of the *Order* would likely lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁵

Scope of the *Order*

The products covered by the sunset review of this *Order* are certain cased pencils of any shape or dimension (except as described below) which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (*e.g.*, with erasers, *etc.*) in any fashion, and either sharpened or unsharpened. The pencils subject to this *Order* are currently classified under subheading 9609.10.00 of the Harmonized Tariff Schedules of the United States (HTSUS). Specifically excluded from the scope of this *Order* are mechanical pencils, cosmetic pencils, pens, non-cased crayons (wax), pastels, charcoals, chinks, and pencils produced under U.S. patent number 6,217,242, from paper infused with scents by the means covered in the above-referenced patent, thereby having odors distinct from those that may emanate from pencils lacking the scent infusion. Also excluded from the scope of the *Order* are pencils with all of the following physical characteristics: (1) length: 13.5 or more inches; (2) sheath diameter: not less than one-and-one quarter inches at any point (before sharpening); and (3) core length: not more than 15 percent of the length of the pencil.

⁴ See *Certain Cased Pencils from the People's Republic of China: Final Results of the Expedited Fifth Sunset Review of the Antidumping Duty Order*, 87 FR 71582 (November 23, 2022).

⁵ See *Cased Pencils from China*, 88 FR 14391 (March 8, 2023).

In addition, pencils with all of the following physical characteristics are excluded from the scope of the order: novelty jumbo pencils that are octagonal in shape, approximately ten inches long, one inch in diameter before sharpening, and three-and-one eighth inches circumference, composed of turned wood encasing one-and-one half inches of sharpened lead on one end and a rubber eraser on the other end.

Although the HTSUS subheading is provided for convenience and customs purposes; our written description of the scope of the *Order* is dispositive.

Continuation of the *Order*

As a result of the determinations by Commerce and the ITC that revocation of the *Order* would likely lead to a continuation or recurrence of dumping, and material injury to an industry in the United States, pursuant to sections 751(c) and 751(d)(2) of the Act, Commerce hereby orders the continuation of the *Order*. U.S. Customs and Border Protection will continue to collect AD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise. The effective date of the continuation of the *Order* will be the date of publication in the *Federal Register* of this notice of continuation. Pursuant to section 751(c)(2) of the Act, Commerce intends to initiate the next five-year review of this *Order* not later than 30 days prior to the fifth anniversary of the effective date of continuation.

Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return/destruction or conversion to judicial protective order of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Failure to comply is a violation of the APO which may be subject to sanctions.

This five-year (sunset) review and notice are in accordance with sections 751(c) and (d)(2), and 777(i)(1) the Act, and 19 CFR 351.218(f)(4).

Dated: March 8, 2023.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

